

EXHIBIT 14



OPERATING RESULTS

August 2018

Highland Capital Management, L.P.
Significant Items Impacting HCMLP's Balance Sheet
August 2018

Operating Activities

[REDACTED]
[REDACTED]
[REDACTED]

Investments

[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Other

- (\$5.0M) partner loan

Highland Capital Management, L.P.**Financial/Operational Highlights****August 2018 Close Package***(in millions)*

	<u>5/31/2018</u>	<u>6/30/2018</u>	<u>7/31/2018</u>	<u>8/31/2018</u>
Cash	\$ 6.9	\$ 7.8	\$ 7.7	\$ 3.4
Operating Revenue	\$ 5.0	\$ 4.4	\$ 4.8	\$ 3.2
Operating Expenses ⁽¹⁾	(4.8)	(4.9)	(4.4)	(3.9)
Operating Income	\$ 0.2	\$ (0.5)	\$ 0.4	\$ (0.7)
Add back: Non-Recurring Items ⁽³⁾	\$ 0.9	\$ 0.9	\$ 0.7	\$ -
Adjusted Operating Income	\$ 1.1	\$ 0.4	\$ 1.1	\$ (0.7)
Net Income/(Loss)	\$ (1.3)	\$ (2.2)	\$ 12.1	\$ 11.9

	<u>MTD</u>	<u>YTD</u>	<u>LTM</u>
Operating Cash Flow ⁽²⁾	\$ (5.9)	\$ 3.5	\$ (8.2)
Interest Expense	(0.2)	(1.1)	(1.6)
Adjusted Operating Cash Flow	\$ (6.1)	\$ 2.4	\$ (9.8)

Assets Under Management (billions)	<u>5/31/2018</u>	<u>6/30/2018</u>	<u>7/31/2018</u>
CLO 1.0	\$ 1.4	\$ 1.4	\$ 1.4
Sep. Accounts	2.5	2.5	2.5
Hedge/PE	0.6	0.2	0.2
Sub-total	\$ 4.5	\$ 4.1	\$ 4.1

Headcount - including affiliates	<u>5/31/2018</u>	<u>6/30/2018</u>	<u>7/31/2018</u>	<u>8/31/2018</u>
Front Office	38	38	38	38
Institutional Marketing and Client Service	4	4	3	2
Legal	15	15	15	15
Admin	15	15	15	15
Retail Operations (HCMLP)	6	6	6	6
Back Office	34	35	35	35
HCFD/NSI	16	17	17	17
HCMF Strategy/Marketing	8	8	8	8
Total	136	138	137	136

Notes:

(1) Excludes deferred compensation MTM

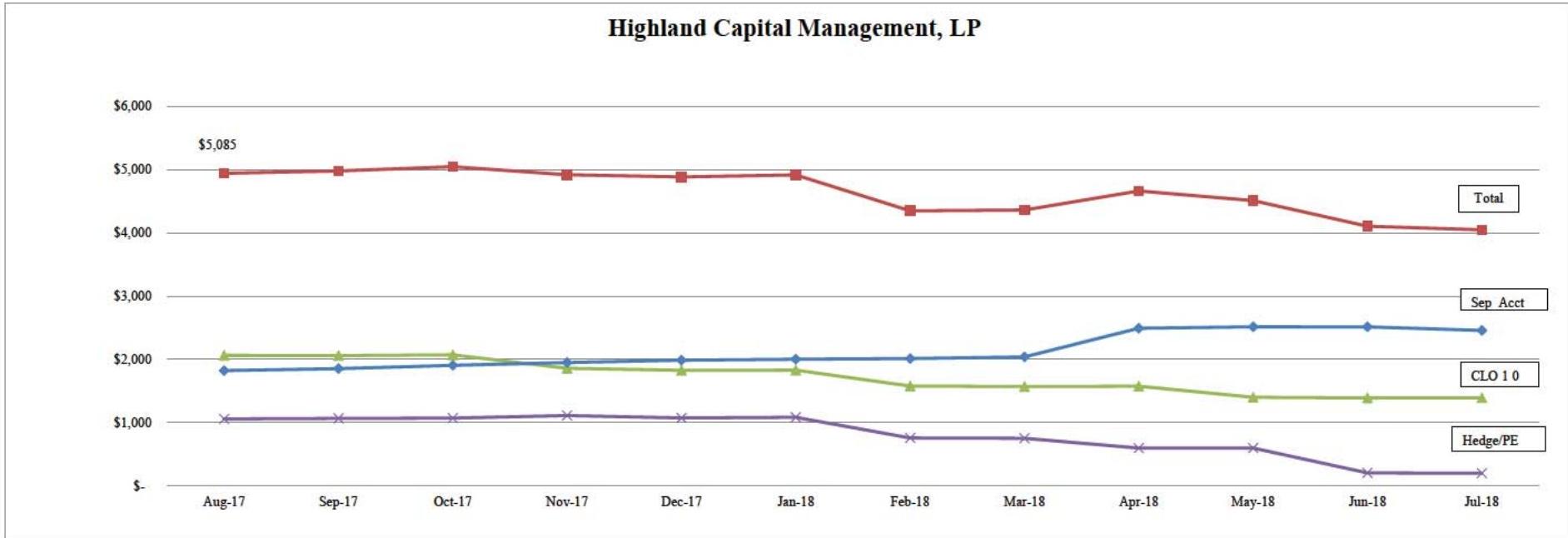
(2) Operating Cash Flow = Operating Income + Dep. + Deferred Comp + Non-Cash Bonus Expense

(3) Receivables reserve

HCMLP Rolling Fee Earning AUM Schedule

(in millions)

	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018	7/31/2018
CLO 1.0	\$ 2,063	\$ 2,060	\$ 2,072	\$ 1,859	\$ 1,827	\$ 1,831	\$ 1,579	\$ 1,572	\$ 1,575	\$ 1,402	\$ 1,390	\$ 1,393
Sep. Accounts	1,823	1,855	1,905	1,951	1,987	2,003	2,013	2,039	2,493	2,514	2,515	2,458
Hedge/PE	1,058	1,067	1,072	1,112	1,073	1,084	757	751	598	596	204	199
Sub-total	\$ 4,945	\$ 4,981	\$ 5,049	\$ 4,922	\$ 4,887	\$ 4,917	\$ 4,349	\$ 4,362	\$ 4,665	\$ 4,512	\$ 4,108	\$ 4,050
CLO 2.0	-	-	-	-	-	-	-	-	2,250	2,174	2,164	2,161
Grand Total	\$ 4,945	\$ 4,981	\$ 5,049	\$ 4,922	\$ 4,887	\$ 4,917	\$ 4,349	\$ 4,362	\$ 6,915	\$ 6,686	\$ 6,272	\$ 6,211

Highland Capital Management, LP

HCMLP Monthly Management Fees
(in thousands)

	8/31/2017	9/30/2017	10/31/2017	11/30/2017	12/31/2017	1/31/2018	2/28/2018	3/31/2018	4/30/2018	5/31/2018	6/30/2018	7/31/2018
Intercompany Retail Advisors	\$ -	\$ -	\$ -	\$ -	\$ 252	\$ 252	\$ 252	\$ 252	\$ 1,500	\$ 668	\$ 1,500	\$ 668
Sep Accounts	1,036	938	1,100	1,361	1,107	1,068	963	987	967	961	894	893
CLO 1 0	802	1,082	768	871	818	713	713	837	589	585	643	473
Hedge/PE Funds	358	393	396	404	440	443	448	408	206	77	95	90
Other	-	-	-	9	-	-	-	87	-	43	22	65
Sub-total	\$ 2,196	\$ 2,413	\$ 2,265	\$ 2,644	\$ 2,617	\$ 2,476	\$ 2,375	\$ 2,571	\$ 3,262	\$ 2,334	\$ 3,154	\$ 2,189
CLO 2 0*	529	447	620	561	491	497	497	500	497	497	407	-
Grand Total	2,725	2,860	2,885	3,205	3,108	2,974	2,873	3,071	3,760	2,832	3,561	2,189



*CLO 2 0 fees are reserved against

**HIGHLAND CAPITAL
MANAGEMENT, LP**

Statement of Income
Twelve Months Ended August 2018
(in thousands)

	Sep-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18	Apr-18	May-18	Jun-18	Jul-18	Aug-18	LTM	YTD
Revenue:														
Management fees	\$ 2,725	\$ 2,860	\$ 2,885	\$ 3,205	\$ 3,108	\$ 2,974	\$ 2,873	\$ 3,071	\$ 3,760	\$ 2,832	\$ 3,561	\$ 2,189	\$ 36,041	\$ 24,366
Shared services fees	757	732	871	826	915	866	866	890	1,038	937	827	657	10,182	6,995
Incentive fees	-	-	-	10,043	-	-	-	-	-	18	-	-	10,061	18
Other income	562	234	586	912	215	596	339	482	304	653	458	348	5,689	3,395
Total operating revenue	4,043	3,827	4,342	14,987	4,237	4,436	4,079	4,442	5,102	4,440	4,846	3,193	61,973	34,774
Operating expenses:														
Compensation and benefits	2,368	2,308	2,795	3,651	2,755	2,769	2,711	3,283	2,277	2,529	2,515	2,676	32,636	21,514
Deferred compensation	297	286	755	291	159	101	9	479	87	179	700	204	3,547	1,918
Professional services	472	1,031	649	18,821	(15,051)	314	606	344	814	608	408	342	9,358	1,819
Investment research and consulting	160	22	8	242	13	20	226	26	20	170	43	18	966	535
Depreciation	113	112	112	108	109	108	108	108	108	108	108	108	1,310	865
Bad debt	-	-	-	2,279	-	-	5	3,497	866	870	713	-	8,229	5,951
Other operating expenses	805	723	497	1,180	580	683	951	871	684	665	606	803	9,049	5,844
Total operating expenses	4,216	4,482	4,816	26,571	(11,435)	3,995	4,616	8,608	4,857	5,130	5,092	4,151	65,097	38,446
Operating income	(172)	(655)	(474)	(11,585)	15,672	441	(537)	(4,166)	245	(690)	(246)	(957)	(3,124)	(3,672)
Other income/expense:														
Interest and investment income, net	532	574	937	839	612	473	524	886	554	462	978	529	7,899	5,018
Interest expense	(136)	(141)	(134)	(145)	(143)	(65)	(131)	(140)	(151)	(141)	(152)	(156)	(1,634)	(1,078)
Other income/expense	63	77	64	19,134	(13,353)	64	96	124	96	584	127	108	7,184	1,280
Total other income/expense	459	510	867	19,828	(12,883)	472	489	870	500	904	953	481	13,449	5,219
Realized and unrealized gain/(loss) from investments:														
Net realized gain/(loss) on sale of investment transactions	-	22	-	(1,196)	-	-	3,961	-	-	351	89	48	3,276	4,450
Net change in unrealized gain/(loss) of investments	9,180	(1,004)	6,375	(2,125)	10,678	(10,201)	(16,002)	3,030	(1,476)	(1,170)	6,011	7,563	10,859	(1,567)
Total realized and unrealized gain/(loss) from investments	9,180	(982)	6,375	(3,320)	10,678	(10,201)	(12,041)	3,030	(1,476)	(819)	6,100	7,611	14,135	2,882
Earnings and losses from equity method investees														
(1,136)	333	12	200	329	926	(210)	(821)	726	(617)	(91)	223	122	1,130	257
(2,300)	(203)	4,333	529	(1,674)	(5,137)	(726)	(2,108)	57	(554)	1,482	1,362	(3,776)	(7,299)	
(419)	8,353	1,019	(3,731)	(11,446)	(199)	(5,483)	138	(1,348)	3,601	3,311	(8,505)	(15,157)		
0	15	-	22	-	-	-	-	-	-	-	38	-	-	
(14)	(18)	11	(18)	-	-	(126)	-	-	88	-	-	(77)	(38)	
-	-	768	(89)	-	-	-	-	(37)	-	-	-	641	(37)	
-	-	-	-	-	-	-	-	-	-	-	-	-	-	
-	-	-	75	-	-	-	-	-	-	-	-	75	-	
Total earnings/(loss) from equity method investees	(3,118)	(613)	13,664	1,866	(4,479)	(16,794)	(1,872)	(6,865)	(459)	(1,905)	5,305	4,795	(10,474)	(22,274)
Net income	6,348	(1,739)	20,432	6,790	8,988	(26,081)	(13,962)	(7,130)	(1,190)	(2,510)	12,112	11,929	\$ 13,986	\$ (17,844)
Profit margin	157%	-45%	471%	45%	212%	-588%	-342%	-161%	-23%	-57%	250%	374%	23%	-51%
Operating Cash Flow Calculation:														
Operating income	(172)	(655)	(474)	(11,585)	15,672	441	(537)	(4,166)	245	(690)	(246)	(957)	(3,124)	9,762
Add Depreciation expense	113	112	112	108	109	108	108	108	108	108	108	108	1,310	865
Adjustment Deferred compensation	297	286	755	291	159	101	(581)	(2,381)	87	125	700	204	43	(1,586)
Bonus awards	(5,215)	994	1,296	1,984	1,000	1,000	(6,001)	964	889	900	945	(5,210)	(6,455)	(5,514)
Operating Cash Flow	(4,977)	737	1,690	(9,201)	16,939	1,650	(7,012)	(5,475)	1,329	443	1,507	(5,855)	\$ (8,225)	\$ 3,527
Less Interest expense	(136)	(141)	(134)	(145)	(143)	(65)	(131)	(140)	(151)	(141)	(152)	(156)	(1,634)	(1,078)
Adjusted Operating Cash Flow	(5,114)	596	1,556	(9,346)	16,797	1,585	(7,143)	(5,614)	1,178	302	1,355	(6,011)	\$ (9,859)	\$ 2,449
Add cash bonus expense	1,000	1,008	1,304	1,988	1,000	1,000	1,048	1,011	900	900	945	900	13,003	7,703
Less cash bonuses paid	(6,215)	(14)	(8)	(4)	-	-	(7,049)	(48)	(11)	-	-	(6,110)	(19,458)	(13,217)
Non-cash bonus add-back	(5,215)	994	1,296	1,984	1,000	1,000	(6,001)	964	889	900	945	(5,210)	(6,455)	(5,514)
Add deferred compensation MTM	297	286	755	291	159	101	9	479	87	179	700	204	3,547	1,918
Less cash deferred awards paid	-	-	-	-	-	-	(590)	(2,860)	-	(54)	-	-	(3,504)	(3,504)
Non-cash deferred award add-back	297	286	755	291	159	101	(581)	(2,381)	87	125	700	204	43	(1,586)

HIGHLAND CAPITAL MANAGEMENT, L.P.

Balance Sheet
August 2018 vs. July 2018
(in thousands)

	August 31, 2018	July 31, 2018	Increase/ (Decrease) \$	Increase/ (Decrease) %
Assets				
Cash and cash equivalents	\$ 3,396	\$ 7,741	\$ (4,344)	-56.1%
Investments, at fair value	265,622	257,648	7,974	3.1%
Equity method investees	60,752	60,958	(205)	-0.3%
Management and incentive fee receivable	1,626	3,577	(1,951)	-54.5%
Fixed assets, net	4,927	5,035	(108)	-2.2%
Due from affiliates	179,404	173,894	5,510	3.2%
Other assets	10,921	11,310	(389)	-3.4%
Total assets	\$ 526,648	\$ 520,162	\$ 6,487	1.25%
Liabilities and Partners' Capital				
Accounts payable	\$ 1,355	\$ 2,688	\$ (1,333)	-49.6%
Due to brokers	31,464	31,724	(260)	-0.8%
Accrued expenses and other liabilities	61,580	65,430	(3,850)	-5.9%
Partners' capital	432,249	420,320	11,929	2.8%
Total liabilities and partners' capital	\$ 526,648	\$ 520,162	\$ 6,487	1.25%

Partners' Capital Walk

Partners' capital at 7/31	\$ 420,320
Net subscriptions/(redemptions)	-
Net income/(loss)	11,929
Partners' capital at 8/31	\$ 432,249



Income Statement

August 2018 YTD vs. August 2017 YTD
(in thousands)

	2018 YTD	2017 YTD	Increase/ (Decrease) \$	Increase/ (Decrease) %
Revenue:				
Management fees	\$ 24,366	\$ 25,288	\$ (922)	-3.6%
Shared services fees	6,995	6,258	737	11.8%
Incentive fees	18	-	18	N/A
Other income	3,395	3,381	14	0.4%
Total operating revenue	34,774	34,927	(153)	-0.4%
Operating expenses:				
Salaries and overtime	9,189	9,427	(238)	-2.5%
Bonus	7,703	8,216	(513)	-6.2%
Other compensation and benefits	4,623	4,547	76	1.7%
Deferred compensation	1,918	1,372	546	39.8%
Professional services	1,819	5,502	(3,683)	-66.9%
Investment research and consulting	535	669	(134)	-20.1%
Marketing and advertising expense	1,478	1,774	(296)	-16.7%
Depreciation expense	865	887	(22)	-2.5%
Bad debt	5,951	-	5,951	100.0%
Other operating expenses	4,366	4,359	7	0.2%
Total operating expenses	38,446	36,753	1,693	4.6%
Operating income/(loss)	(3,672)	(1,826)	(1,846)	101.1%
Other income/expense:				
Interest income	5,018	4,167	851	20.4%
Interest expense	(1,078)	(1,113)	35	-3.1%
Other income/expense	1,280	5,539	(4,259)	-76.9%
Total other income/expense	5,219	8,593	(3,374)	-39.3%
Realized and unrealized gains from investments:				
Net realized gains on sales of investment transactions	4,450	7,666	(3,216)	-42.0%
Net change in unrealized gains/(losses) of investments	(1,567)	12,293	(13,860)	112.8%
Total realized and unrealized gains from investments	2,882	19,959	(17,077)	-85.6%
Net earnings/(losses) from equity method investees	(22,274)	(6,081)	(16,193)	-266.3%
Net income/(loss)	\$ (17,844)	\$ 20,645	\$ (38,489)	186.4%
Profit margin	-51%	59%		
Other operating expenses detail				
Rent expense	1,041	979	61	6.3%
Fees and dues	166	211	(45)	-21.2%
Travel and entertainment	840	1,036	(196)	-18.9%
Insurance expense	496	431	64	15.0%
Miscellaneous expenses	1,823	1,701	122	7.1%
Total other operating expenses	4,366	4,359	7	0.2%

Highland Capital Management, LP

Schedule of Investments

As of August 2018